

THE ALASKA FOOD COALITION



Alaska State Twenty - Fifth Legislature

An Update on Bills and Resolutions Relevant to the Hunger Issue

Henryk Szadziewski

Alaska Food Coalition Program Manager

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Overview

This legislative session has seen two issues dominate the social services landscape in Alaska. The first concerns the eligibility criteria of Denali Kid Care and the second relates to the future funding structure of the Human Services Matching Grant. While the former of these issues has an indirect influence on charitable food distribution agencies and direct impact on clients, the reverse can be said of the latter. In addition, bills affecting seniors through changes to the Senior Care Program and the restoration of the Longevity Bonus demand attention for their potential to increase or decrease the number of seniors accessing charitable food assistance.

Denali Kid Care

Denali Kid Care is a state run program providing health insurance to children and teenagers up to the age of 18 in low income families as well as pregnant women who meet qualifying guidelines.

Prior to 2003 qualification for the program was set at 200% of the federal poverty level. In that year legislators changed qualification to applicants whose income fell below \$41,760. No provision was made for inflation for this amount and consequently as inflation increased so did the number of people losing their benefits. Senate Bills 4, 27 and 87 ask for a restoration of the 200% of the federal poverty level qualification guideline while House Bill 140 would make Denali Kid Care services available to families whose income is 350% of the federal poverty level. Those families in the 200% to 350% bracket would be asked to make contributions on a sliding scale.

The legislative history of Denali Kid Care this session can be followed here:

SB 4

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=sb4

SB 27

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=sb27

SB 87

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=sb87

Bill: HB 140

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=hb140&submit=Display+Bill+Root

Bill: SJR 1

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=sjr1

Bill: HJR 10

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=hjr10

Media stories on the program are available from these links:

'Families Plead for Increase to Denali Kid Care Health Program'

Anchorage Daily News – 4/30/07

http://www.adn.com/news/alaska/ap_alaska/story/8841655p-8742362c.html

Opinion: Denali Kid Care

Anchorage Daily News – 5/1/07

<http://www.adn.com/opinion/view/story/8843367p-8744070c.html>

Human Services Matching Grant

The Human Services Matching Grant is a state run initiative to fund social service organizations in the Anchorage Municipality, Fairbanks North Star Borough and the Mat-Su Borough. Approximately \$1.5 million is allocated by the state to these three administrative areas with roughly \$900,000 going to Anchorage, \$350,000 to Fairbanks, and \$250,000 to Mat-Su. Local governments add a 30% match to the amount granted by the state and are responsible for deciding on which organizations receive funding. Alaska Food Coalition members Covenant House, Bean's Café, St. Francis House, Food Bank of Alaska, and AWAIC have been among the grantees in the past.

This legislative session, Governor Palin proposed structural reform to the Human Services Matching Grant. The reform recommended that \$1.4 million be put into the state office of Faith-based and Community Initiatives, who would then be responsible for distributing the grants statewide.

Members expressed support for the idea that grants could be used statewide, but also raised concerns on how agencies in Anchorage, Fairbanks and Mat-Su would make up the anticipated shortfall in funding.

Legislators decided to maintain the status quo with the House Finance Subcommittee on Health and Social Services saying no to Governor Palin's proposal. Media coverage on the story can be viewed at these links:

'Municipalities May Lose \$1.5 Million in Grants'

Anchorage Daily News – 3/12/07

<http://www.adn.com/news/politics/story/8703041p-8604680c.html>

'State Grants are OK as is'

Anchorage Daily News – 3/24/07

<http://www.adn.com/opinion/view/story/8734898p-8636498c.html>

Legislative records on the Human Services Matching Grant are available here:

HB 95

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=hb95&submit=Display+Bill+Root

House Finance Committee Minutes – 03/22/07

Bill Action and Status Inquiry System (BASIS) URL:

[http://www.legis.state.ak.us/basis/get_minutes_comm.asp?hse=H&session=25&comm=FIN%20%20%20%20%20%20&date=20070322&time=1338](http://www.legis.state.ak.us/basis/get_minutes_comm.asp?hse=H&session=25&comm=FIN%20%20%20%20%20%20%20&date=20070322&time=1338)

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Other Legislative Issues

A bill was introduced on February 21 which aims to remove prescription coverage from the Senior Care Program. It is currently in the Senate Finance Committee and its progress can be followed here:

Bill: SB 90

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=sb90

Governor Palin is attempting to revive Longevity Bonus benefits at a cost of \$32 million to the state in addition to spending \$13 million for the Senior Care Program. The Senior Care Program was initiated by former Governor Murkowski as a replacement for the Longevity Bonus. There is some doubt from legislators that the state can afford to fund both considering the Governor's principles of reducing state spending. An informal AARP poll on the issue is an interesting guide on how seniors in the state feel about the issue.

Restore the Longevity Bonus only if it does not affect Senior Care benefits	42.4%
Restore the Longevity Bonus even if it reduces Senior Care benefits	21.9%
Do not restore the Longevity Bonus, but increase Senior Care benefits instead	28.6%
Do not restore the Longevity Bonus and do not increase Senior Care benefits	7.1%

A bill relating to Longevity Bonus appropriations is with the Senate Finance Committee. Below are the links to legislative history on the Longevity Bonus in this session.

Bill: SB 74

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=sb74

Bill: SB 40

Bill Action and Status Inquiry System (BASIS) URL:

http://www.legis.state.ak.us/basis/get_bill.asp?session=25&bill=sb40&submit=Display+Bill+Root

Conclusion

While this legislative session did not include specific legislation addressing the issue of hunger, there has been plenty of activity affecting anti-hunger agencies and the clients they serve. Concerns over eligibility criteria for Denali Kid Care are very real for the anti-hunger community. A 2005 study published in Health Affairs found that approximately half of all bankruptcy filings were a direct result of medical bills¹. Reduced access to health care only exacerbates this situation causing additional strain on anti-hunger agencies as Alaskans look for ways to make ends meet. This state of affairs can also be extended into the proposal to eliminate prescription coverage from the Senior Care Program; however, restoration of the Longevity Bonus in addition to the maintenance of the Senior Care Program could correct any imbalance.

Legislators have introduced other bills to assist low-income families in the state. HB 224 seeks an 'appropriation for a state match of federal funds for the Low Income Heating and Energy Assistance Program'. Such an initiative is welcome as the 2005 Hunger in America study shows that 49% of food pantry clients were forced to choose between buying food and paying for heating fuel.

The situation regarding the Human Services Matching Grant illustrates the complexity of social service funding in Alaska. In this case there are issues of population density and need. While grants to urban areas reach far more people, rural agency needs are unmet. An increase in funding for the Human Services Matching grant would be able to satisfy the dilemmas faced in the geographical dispersal of the money. In regard to anti-hunger agencies in rural areas, the Alaska Food Coalition capacity-building project will attempt to offset these unmet needs by seeking funding for comprehensive capital improvements statewide.

¹ Himmelstein, D, E. Warren, D. Thorne, and S. Woolhandler, "Illness and Injury as Contributors to Bankruptcy," *Health Affairs Web Exclusive* W5-63, 02 February, 2005.